

The complaint

Mr and Mrs F complain about a kitchen they purchased with credit provided by Shawbrook Bank Limited.

What happened

In June 2022 Mr and Mrs F entered into a regulated fixed sum loan agreement with Shawbrook Bank to finance their purchase of a kitchen. The kitchen cost £15,000, and they paid half of that up front and used the loan (which was interest-free) to pay for the rest.

The kitchen was installed in July, but there were still various unresolved issues which required further work after the scheduled installation dates. This required numerous visits by the retailer. In August Mr and Mrs F complained to the retailer, but that got them nowhere, and meanwhile they had to pay an electrician £115 of their own money to urgently make safe a defective light switch. In September they complained to Shawbrook Bank, but the bank did not uphold their complaint on the ground that the retailer had offered to repair the kitchen and Mr and Mrs F had declined. (The bank did pay them £250 as compensation for a delay in dealing with their complaint.) So they brought this complaint to our service in April 2023.

The issues still outstanding at that time were:

- Back door not bricked up properly, rendering off colour, no damp-proof membrane;
- Exposed live wires;
- Ceiling lights broken;
- Hob not installed correctly;
- Oven and microwave did not have their own fuse;
- Wrong colour worktop installed.

Mr and Mrs F say that they had to take several days off work waiting for tradesmen who sometimes did not attend. They had been without a useable kitchen for a long time, which was stressful. They subsequently discovered a scratch on a door.

Shawbrook Bank obtained an independent report, which set out the remedial work which still needed to be done (at a cost of £4,650 plus VAT). The bank accepted that it was responsible, and agreed that this work could be carried out by an independent party; the bank would pay for half of this work, and the other half would be paid for by the retailer.

Mr and Mrs F did not accept that offer, because it did not include compensation for their inconvenience; they also did not agree that the proposed remedial work really covered everything. They asked if the bank would also write off the rest of the loan (this was in July 2023, so this was about two thirds of what they had borrowed, or about £5,000). The bank did not agree to do that, but it offered to refund the £115 which Mr and Mrs F had paid the electrician.

Our investigator initially upheld this complaint. He thought that the remedial work identified in the first independent report could be completed within a reasonable time and that it would resolve all of the outstanding issues, except for the scratch on the door, which he thought

had not been proved with adequate evidence and should be investigated by the retailer. He thought that the £250 which Shawbrook Bank had already paid Mr and Mrs F was fair compensation for the delay, and he did not think it would be fair to recommend that the bank pay further compensation for the retailer's shortcomings.

The bank accepted that recommendation, but Mr and Mrs F did not at first. They asked for more compensation, considering that they had been without a kitchen for a year. But they later agreed to having the remedial work done. (Meanwhile, the cost of the remedial work had increased to £5,006 plus VAT due to an increase in the price of the replacement worktop.)

The remedial electrical work was completed by an independent contractor in February 2024. Mr and Mrs F are satisfied with this work, and they have decided not to replace the worktop after all. However, the independent contractor decided that no remedial work to the bricked up back door was necessary, since it appeared to be damp-proof, notwithstanding the absence of damp-proof coursing (DPC). This remains a bone of contention. Mrs and Mrs F want a DPC to be added. But Shawbrook Bank pointed out that the independent report in 2023 had not said that a DPC was required either. Mr and Mrs F disagree with the bank's interpretation of that report.

The investigator accepted the contractor's evidence, and in a second opinion he said that no further remedial work was necessary. He said that although the 2023 report had mentioned that there was no DPC, it also did not say that it was necessary to install one.¹ He observed that there might already be a DPC under the original doorway. He said that if Mr and Mrs F got an expert report (at their own expense) which said that a DPC was needed, then he would expect Shawbrook Bank to pay for one to be added (and to pay for the report). But otherwise, he did not think that the bank needed to do anything (other than to pay the £115 it had offered).

Mr and Mrs F did not accept that opinion. They pointed out that the 2023 report had recommended other remedial work on the bricked up doorway, and this had not been done yet. They asked for an ombudsman's decision. I wrote a provisional decision which read as follows.

What I've provisionally decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The relevant paragraph of the independent report reads as follows:

“The extended doorway has been improperly bricked up. No sign of moisture barrier. No damp signs at the moment. Brickwork has been left very untidy and requires some brick work, plasterwork and painting to make good, these areas only.”

The contractor who carried out the other remedial work in February 2024 inspected the doorway and said in an email that there was still no sign of damp, and that adding a DPC was completely unnecessary in this instance.

In view of this evidence, I don't think I can reasonably conclude that a DPC is needed.

¹ He had tried to get the author of the 2023 report to clarify what he'd meant, but was unable to.

However, the remedial work which the report recommended doing has still not been carried out.

I do not mean that the rendering is a slightly different colour, due to the weathering of the old rendering around where the doorway used to be; that is no longer an area of dispute. I am referring to the untidy brickwork which needs redoing in certain areas (the fourth sentence in the text I quoted above). I think that still needs to be done.

So I am currently minded to uphold this complaint in part, and to require Shawbrook Bank Limited to:

- Arrange for the uncompleted remedial work identified in the independent report to be carried out at no cost to Mr and Mrs F (that is, “Brickwork has been left very untidy and requires some brick work, plasterwork and painting to make good, these areas only”, but *not* the addition of damp-proof coursing),
- Pay Mr and Mrs F £115 (if it hasn’t been paid already), and
- Pay Mr and Mrs F £500 for their inconvenience.

Responses to my provisional decision

Shawbrook Bank went back to the company which employed the original independent contractor who had written the report I quoted from. That contractor no longer works for that company, but other people at the company (including its operations manager) took the view that no further work to the brickwork is necessary after all. Shawbrook obtained the company’s revised view in writing, which I have read. It says that the brickwork is concealed by pebble-dashing (along with the rest of the wall), and removing the pebble-dashing to get to the brickwork might be counter-productive, as it could cause damage. It recommended leaving it alone.

Mr and Mrs F did not respond to my provisional decision.

My revised findings

I accept the new evidence, which (as I’ve said) is from the same company that had recommended improving the brickwork. In light of that new evidence, and also taking into account a photo I have seen of the wall after the remedial work was carried out in February 2024, I have changed my mind. I am satisfied that the wall is now of satisfactory quality, is free from minor defects, and is fit for purpose.

Accordingly, I no longer require any further work to be carried out.

I will however still require the bank to refund the £115 cost of the electrical work, and to pay the £500 compensation for Mr and Mrs F’s general inconvenience.

My final decision

My decision is that I uphold this complaint in part. I order Shawbrook Bank Limited to:

- Pay Mr and Mrs F £115 (if it hasn’t been paid already), and
- Pay Mr and Mrs F £500 for their inconvenience.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs F and Mr F to accept or reject my decision before 4 October 2024.

Richard Wood
Ombudsman

